1 2 3 4 5	MARY ANN SMITH Deputy Commissioner SEAN M. ROONEY Assistant Chief Counsel SOPHIA C. KIM (CA BAR NO. 265649) Corporations Counsel DEPARTMENT OF BUSINESS OVERSIGHT 320 West 4 th Street, Suite 750 Los Angeles, California 90013 Telephone: (213) 576-7594			
6	Facsimile: (213) 576-7181			
7	Attorneys for Complainant			
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9	BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT			
10	OF THE STATE OF CALIFORNIA			
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12	In the Matter of THE COMMISSIONER OF) DESIST AND REFRAIN ORDER PURSUANT BUSINESS OVERSIGHT OF THE STATE OF) TO CALIFORNIA FINANCIAL CODE			
13	CALIFORNIA,) SECTION 23050			
14	Complainant,)			
15				
16	VS.)			
17	Mambo Cash a.k.a. Mambocash.com,			
18	Respondent.			
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21	The Commissioner of Business Oversight of the State of California ("Commissioner"), is			
22	informed and believes, and based on such information and belief, finds as follows:			
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24	I.			
25	FACTUAL BACKGROUND			
26	1. Mambo Cash a.k.a. Mambocash.com ("Mambo Cash") is at all relevant times herein,			
27	an entity of unknown form. Mambo Cash maintains a website at www.mambocash.com that			
28	references a phone number, (888) 313-4318, and fax number, (866) 470-7119.			
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- 2. Mambo Cash engages in the business of originating or offering to originate deferred deposit transactions (commonly referred to as "payday loans") over the internet to the general public, including California residents, using the website at www.mambocash.com and email address customersupport@mambocash.com.
- 3. "Deferred deposit transaction" means a transaction whereby a person defers depositing a customer's personal check until a specific date, pursuant to a written agreement for a fee or other charge. "Personal check," as referenced in California Financial Code section 23001, subdivision (a), includes the electronic equivalent of a personal check, such as an Automated Clearing House ("ACH") or debit card transaction.
- 4. In or around May 2012, Mambo Cash contacted at least one California resident who had submitted an online application for a payday loan through its website at www.mambocash.com. The California resident received an offer of a payday loan via an email sent from customersupport@mambocash.com that referenced, "Mambo Cash Customer Support, Phone: (888) 313-4318, Fax: (866) 470-7119." Mambo Cash then deposited \$500 into the California resident's bank account by means of an electronic ACH transaction. Two weeks later, Mambo Cash electronically withdrew \$125 in fees from the California resident's bank account by means of an electronic ACH transaction.
- 5. Mambo Cash a.k.a. Mambocash.com has not been issued a license by the Commissioner authorizing it to engage in the business of deferred deposit transactions. Mambo Cash a.k.a. Mambocash.com is not exempt from the licensing requirements of California Financial Code section 23005.

II.

DESIST AND REFRAIN ORDER

The Department Business Oversight ("Department") is responsible for enforcing provisions of the California Deferred Deposit Transaction Law ("CDDTL") found in California Financial Code commencing at section 23000. The Commissioner is authorized to pursue administrative actions and remedies against persons who engage in violations of the CDDTL.

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California Financial Code section 23050 provides:

Whenever, in the opinion of the commissioner, any person is engaged in the business of deferred deposit transactions . . . without a license from the commissioner, or any licensee is violating any provision of this division, the commissioner may order that person or licensee to desist and to refrain from engaging in the business or further violating this division. If within 30 days, after the order is served, a written request for a hearing is filed and no hearing is held within 30 days thereafter, the order is rescinded.

California Financial Code section 23005, subdivision (a) provides in pertinent part:

(a) No person shall offer, originate, or make a deferred deposit transaction, arrange a deferred deposit transaction for a deferred deposit originator, act as an agent for a deferred deposit originator, or assist a deferred deposit originator in the origination of a deferred deposit transaction without first obtaining a license from the commissioner and complying with the provisions of this division

California Financial Code section 23035, subdivision (a) limits the face amount of the check in a deferred deposit transaction to three hundred dollars (\$300). Section 23036, subdivision (a) limits fees to 15% of the face amount of the deferred deposit transaction.

The foregoing facts establish violations of the CDDTL by Mambo Cash a.k.a. Mambocash.com, including: 1) engaging in the business of originating or offering to originate deferred deposit transactions without having first obtained a license to do so from the Commissioner, in violation of section 23005, subdivision (a); 2) offering or originating deferred deposit transactions with face amounts greater than \$300, in violation of section 23035, subdivision (a); and 3) charging excessive transaction and fees, in violation of section 23036, subdivision (a).

Pursuant to Financial Code section 23050, Mambo Cash a.k.a. Mambocash.com is hereby ordered to desist and refrain from violating Financial Code sections 23005, 23035, and 23036. This Order is necessary for the protection of consumers and consistent with the purposes, policies, and provisions of the CDDTL.

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	1	This Order shall remain in full force and	effect until further order of the Commissioner.
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	4	Los Angeles, California JA	N LYNN OWEN
	5	Co	mmissioner of Business Oversight
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	8		: MARY ANN SMITH
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